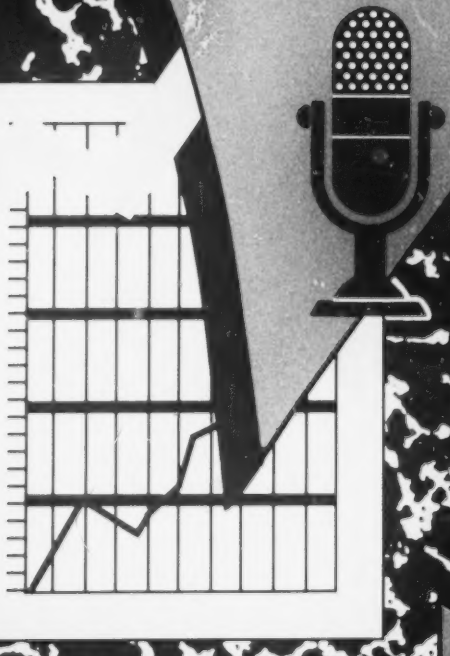
Radio Facts for Advertisers 1990



RADIO ADVERTISING BUREAU

Radio

Dear Advertising Colleagues,

There was a time when Radio was the premier mass medium of America. That's all behind us. Not just for Radio but for all media. Mass media are shrinking while the need for target media is growing.

With the proliferation of both Radio stations and formats, Radio is becoming America's premier target medium. We offer marketers demographic as well as psychographic target audiences, with the added value of flexibility enabling us to change content of a radio commercial in minutes and have it delivered to the target audience on schedule. The cost effectiveness of Radio, together with these two attractive marketing elements position Radio as the medium of the future.

In the thirties, Americans spent about three hours a day with their Radio. They still do today because America loves and depends on its Radio Stations. This Fact Book provides a good deal of data for you about the medium of the future. However, it cannot describe the warmth, interactivity and intimacy Radio provides to those who listen.

Warren Potash, President
Radio Advertising Bureau

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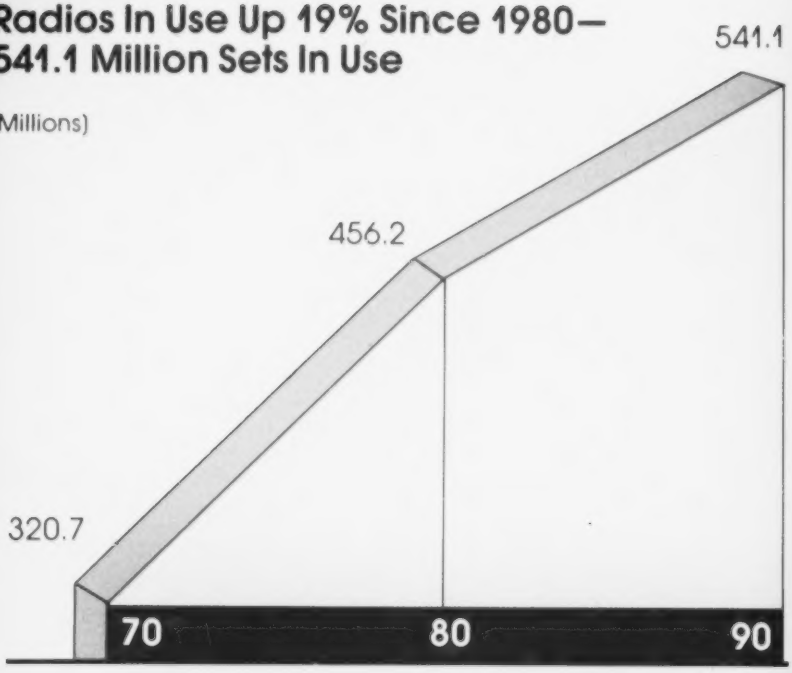
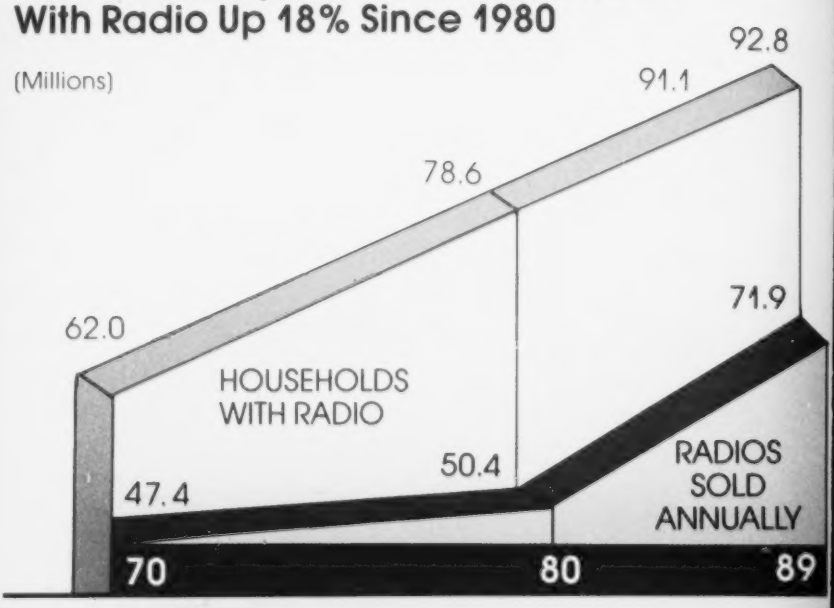
Radios In Use Up 19% Since 1980— 541.1 Million Sets In Use



Radios Sold Up 43% And Households With Radio Up 18% Since 1980



Radio Is In Every Home

Households with radios	99%
Radio sets in homes (millions)	349.3
Average number of radios per household	5.6
Amount spent on new radios in 1989 (millions)	$2,750
Battery-operated radios sold in 1989 (millions)	41.9
Households with battery operated radios	78%
In-home radios with analog tuning	79%
In-home radios with digital tuning	21%

Radio Is In Every Room

	Percent With Radios	Millions Of Radios
Living Rooms	67%	63.3
Bedrooms	58	172.3
Kitchens	50	46.2
Dining Rooms	9	13.3
Bathrooms	7	14.7

Radio Is In Households Of All Sizes

Persons In Household	Share Of Set Purchases
1-2 Persons	40.8%
3-4 Persons	40.6
5+ Persons	18.6

Each Day Radio Reaches Almost 80% Of All Americans

(Mon.-Sun. 24 Hours)

Persons 12+	78.0%
Teens 12-17	84.7%

Ages	18+	18-24	25-34	35-49	50+
Men	79.4%	85.8%	83.4%	81.1%	71.8%
Women	75.4	82.4	80.0	76.8	68.7

Adults 18+ in households of	1-2 Persons	74.5%
	3-4 Persons	79.6
	5+ Persons	79.0

Each Week Radio Reaches 96% Of All Americans

(Mon.-Sun. 24 Hours)

Persons 12+	96.3%
Teens 12-17	99.0%

Ages	18+	18-24	25-34	35-49	50+
Men	96.9%	99.7%	98.9%	98.8%	92.2%
Women	95.3	98.0	98.7	96.6	91.1

Adults 18+ in households of	1-2 Persons	94.0%
	3-4 Persons	97.8
	5+ Persons	97.1

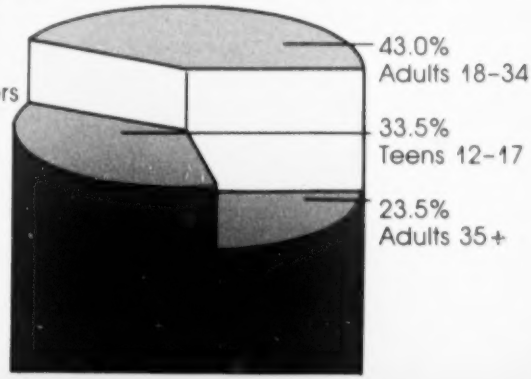
Radio Reaches 78% Of All Americans At Home Monday-Friday

Mon.-Fri.	Persons 12+	Men 18+	Women 18+	Teens 12–17
24 Hrs.	78%	73%	79%	96%
6 AM-10 AM	61	54	64	81
10 AM-3 PM	35	27	40	40
3 PM-7 PM	38	33	38	67
7 PM-Mid.	39	34	36	74
Mid.-6 AM	30	28	30	42

21 Million Walk-along Listeners

- ☐ 84.3% of walk-alongs include radios.
- ☐ 13.2 million walk-along sets sold with radio, 1987-1989.

Age Profile of Walk-Along Owners



Radio—The In-Car Companion

Cars with radios	95%
Used cars with radios	99%
Commuters' cars with radios	97%
Car commuters reached weekly by Radio	86%
Car travel as a share of all travel	82%
Adults with drivers' licenses	82%
Fleet and rental cars with radios	98%
AM/FM car radios	88%
Car radios with analog tuning	65%
Car radios with digital tuning	35%
Total car radios (millions)	131.4
Total truck/van/RV radios (millions)	37.8

Drivers Tune In To Radio

68% of adults listened to the radio every time they used their car during their last 10 car trips.

Percent of Driving Time Spent Listening Among Adults Who:	Adults 18+	Men 18+	Women 18+
Commute to work	97%	97%	97%
Shop for groceries	78	78	78
Shop other retail	81	81	80
Dine out: Fast Food	76	77	75
Dine out: Restaurant	76	79	74

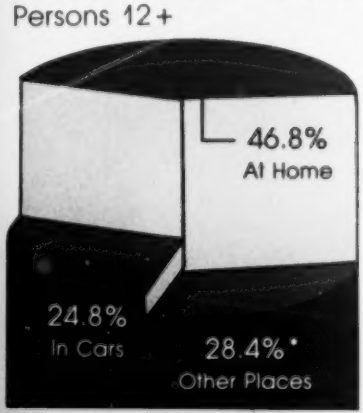
3 Out Of 4 Adults Are Reached By Car Radio Each Week

Percent Reached In Cars (Mon.-Sun.)

	Adults 18+	Men 18+	Women 18+
24 Hrs.	78%	82%	73%
6 AM-10 AM	56	63	50
10 AM-3 PM	59	61	57
3 PM-7 PM	61	65	58
7 PM-Mid.	38	41	35
Mid.-6 AM	14	19	9

Radio: It Isn't Just At Home Anymore

Share Of Radio Audience By Location (Mon.-Sun., 24 Hrs.)
Persons 12+



	At Home	In Cars	Other Places
Teens 12–17	65.5%	18.8%	15.7%
Men 18+	35.8	30.6	33.6
Women 18+	54.0	20.4	25.6

*Other places includes listening at work and while shopping in stores.

Radio Reaches Upscale Consumers Where They Work

More than Half Have Radios Available in The Workplace

Household income $50,000+	57%
Household income $30,000+	59%
Professional/managerial men	53%
Full-time working women	64%
College graduate or more	57%
Major credit card users	63%
Homeowners	58%
Multiple car households	61%

Radio and American Workers: A Winning Combination

People of All Ages Have Radios Available at Work

Men 18+	59%				
Women 18+	63%				
Adults	18+	18–34	35–44	45–54	55–64
	61%	66%	58%	55%	53%

57% of workplace radios are employee-owned.
41% of workplace radios are company-owned.

On Weekdays 95.6% Of Americans Listen To Radio—Averaging 3 Hrs. and 19 Mins.

R = Percent Weekly Reach (Mon.-Fri., 24 Hrs.)
T = Average Daily Time Spent Listening

Persons 12+	R	95.6%	Teens 12-17	R	98.8%	
	T	3:19		T	2:26	
Ages		18+	18-34	18-49	25-54	35+
Men	R	96.2%	98.2%	97.2%	96.8%	94.6%
	T	3:30	3:56	3:45	3:41	3:12
Women	R	95.1%	98.2%	96.8%	95.8%	92.9%
	T	3:20	3:29	3:25	3:27	3:14

The Average American Listens To Radio For Almost Three Hours A Day

(Mon-Sun., 24 Hrs.)

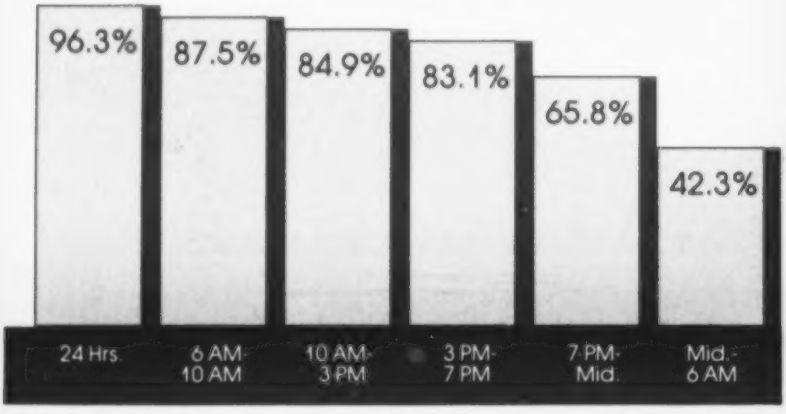
	Average Daily Time Spent Listening
Persons 12+	2:59
Teens 12-17	2:20

Ages	18+	18-24	25-34	35-49	50+
Men	3:06	3:24	3:29	3:05	2:38
Women	3:01	3:00	3:10	2:58	2:55

Adults 18+ in households of	1-2 Persons	2:58
	3-4 Persons	3:05
	5+ Persons	3:11

Radio Reaches Americans Throughout the Day

(Persons 12+, Mon.-Sun.)



Consumers Listen Around the Clock

(Mon.-Sun.)	Men 18+	Women 18+	Teens 12-17
24 Hrs.	96.9%	95.3%	99.0%
6 AM-10 AM	88.7	85.7	91.2
10 AM-3 PM	83.8	85.6	86.3
3 PM-7 PM	83.6	80.9	92.0
7 PM-Mid.	65.3	62.0	86.0
Mid.-6 AM	44.4	38.4	51.3

2 Out Of 3 Americans Listen To Radio During TV Prime Time

R = Percent Evening Reach (Mon.-Sun., 7 PM-Mid.)
T = Weekly Time Spent Listening

Persons 12+			Teens 12–17		
	T 4:10			T 4:56	

Ages	18+	18–34	18–49	25–54	35+
Men R					
T	4:10	4:30	4:12	3:50	3:53
Women R					
T	3:56	3:56	3:45	3:35	3:56

42.3% of Americans Listen After Midnight

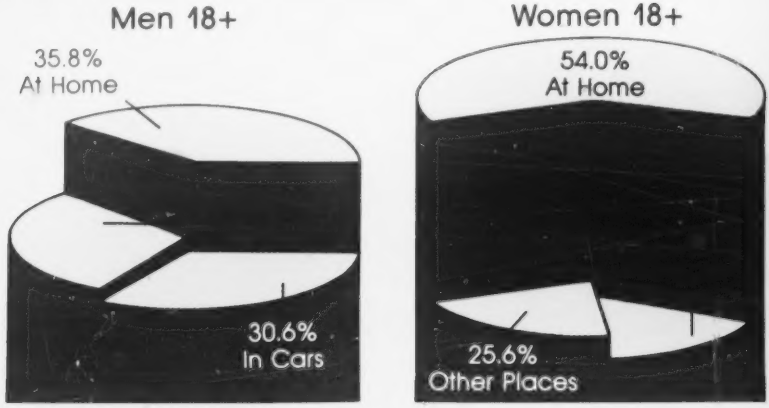
R = Percent Post-Mid. Reach (Mon.-Sun., Mid.-6 AM)
T = Weekly Time Spent Listening

Persons 12+			Teens 12–17		
	T 3:23			T 2:44	

Ages	18+	18–34	18–49	25–54	35+
Men R					
T	3:37	3:20	3:32	3:44	3:51
Women R					
T	3:19	3:04	2:57	2:59	3:31

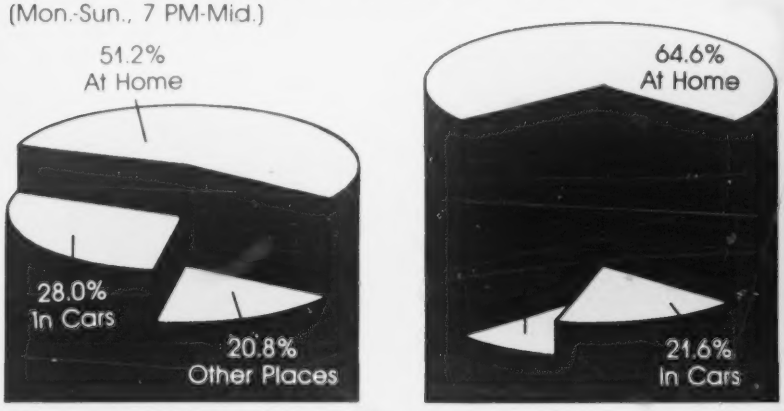
Total Radio Listening By Location

(Mon.-Sun., 24 Hrs.)



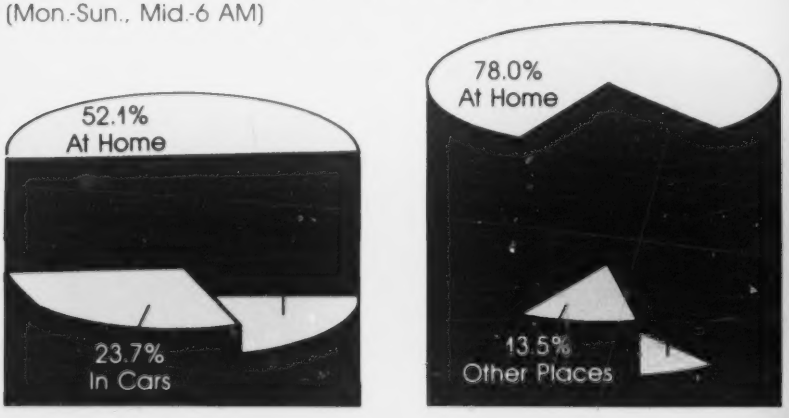
Evening Radio Listening By Location

(Mon.-Sun., 7 PM-Mid.)



Overnight Radio Listening By Location

(Mon.-Sun., Mid.-6 AM)



Radio Works Weekends

80.6% Of Americans Listen For An Average Of More Than 5 Hours Each Weekend

R = Percent Weekend Reach (Sat.-Sun., 24 Hrs.)
T = Average Weekend Time Spent Listening

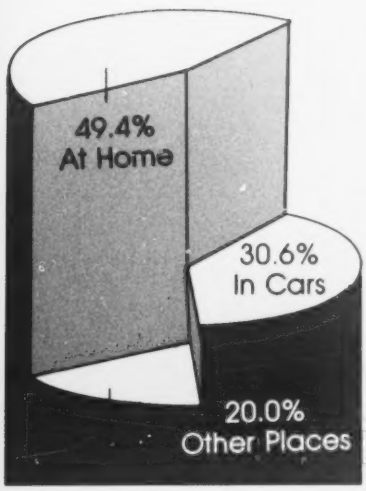
Persons 12+			Teens 12-17		
	T	5:16		T	4:35

Ages		18+	18-34	18-49	25-54	35+
Men	R					
	T	5:09	5:18	5:11	5:08	5:02
Women	R					
	T	5:34	5:16	5:15	5:22	5:45

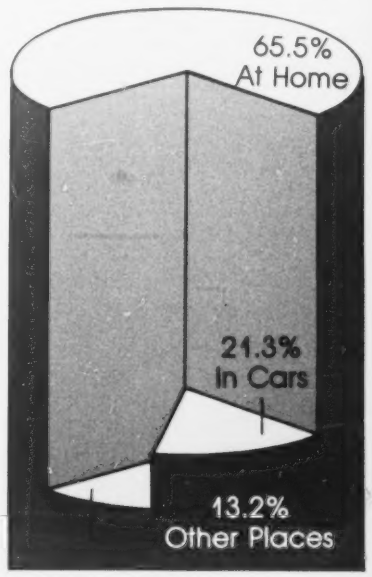
Weekend Radio Listening By Location

(Sat.-Sun. 24 Hrs.)

Men 18+

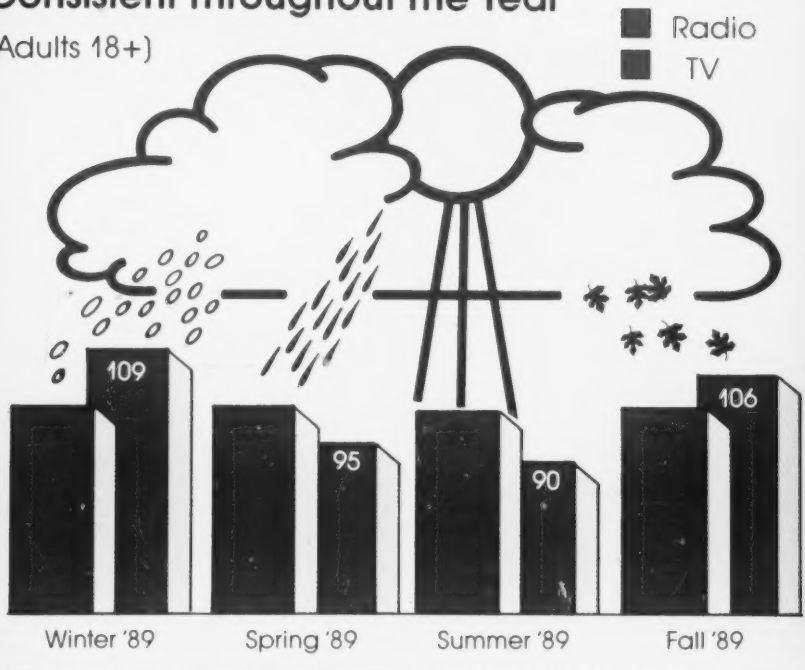


Women 18+



Radio's Listening Levels Are Consistent Throughout The Year

(Adults 18+)



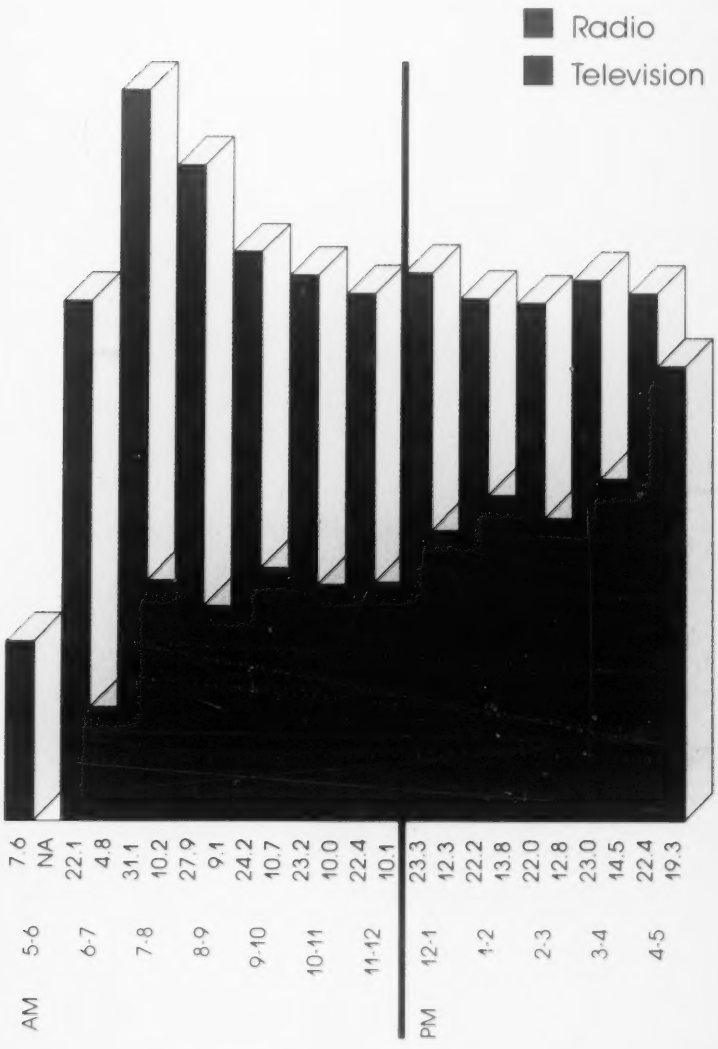
Summer And Winter, Radio Reaches Consumers Wherever They Are

Persons 12+
Radio Listening By Location/Daypart

	Summer '89		Winter '89	
	Home	Away	Home	Away
Mon.-Sun. 6 AM-Mid.	50.2%	49.8%	50.2%	49.8%
Mon.-Fri. 6-10 AM/3-7 PM	47.9	52.1	48.3	51.7
Mon.-Fri. 10 AM-3 PM	35.2	64.8	33.7	66.3

Radio Listening Is Greater Than TV Viewing From 5 AM Until 5 PM

Fall 1989—Ten Market Composite—Persons 12+



Radio Reaches Everyone . . .

R = Percent Weekly Reach (Mon.-Sun., 6 AM-Mid.)

T = Average Daily Time Spent Listening

	Men 18–34	Men 25–54	Men 35–64
T	3:43	3:33	3:22

	Women 18–34	Women 25–54	Women 35–64
T	3:30	3:22	3:22

	12+	Teens	Men 18+	Women 18+
T	3:21	2:31	3:29	3:25

. . . In Every Daypart

M = % Men Reached W = % Women Reached

Mon.-Fri.	Teens 12–17		18+	18–34	25–54	35–64
6 AM-10 AM	80%	M	82	83	81	80
		W	84	86	87	86
10 AM-3 PM	48	M	74	77	74	72
		W	77	81	77	75
3 PM-7 PM	79	M	81	83	81	80
		W	79	86	83	79
7 PM-Mid.	76	M	57	63	57	54
		W	53	64	54	48

Weekend	Teens 12–17		18+	18–34	25–54	35–64
6 AM-Mid.	83%	M	81	83	81	80
		W	82	86	82	81

Radio Reaches Almost All Black Persons

R=Percent Weekly Reach (Mon.-Sun., 6 AM-Mid.)

T=Average Daily Time Spent Listening

Men

	18–34	25–54	35–64
R	95.7%	95.7%	95.3%
T	3:44	3:53	3:56

Women

	18–34	25–54	35–64
R	97.8%	97.8%	97.2%
T	3:55	3:57	3:53

	Persons 12+	Teens 12–17	Men 18+	Women 18+
R	96.5%	98.7%	95.2%	97.0%
T	3:48	3:04	3:49	3:22

Blacks Listen Throughout The Week

M=% Men Reached W=% Women Reached

Mon.-Fri.	Teens 12–17		18+	18–34	25–54	35–64
6 AM-10 AM	74.5%	M	83.3%	82.5%	84.9%	84.5%
		W	86.7	86.9	88.9	82.0
10 AM-3 PM	55.7	M	70.2	71.0	70.1	69.4
		W	75.6	78.6	76.0	68.2
3 PM-7 PM	77.5	M	76.6	79.1	70.1	77.0
		W	77.9	84.4	76.0	71.8
7 PM-Mid.	79.1	M	64.4	70.6	78.7	60.2
		W	63.3	70.6	82.4	54.2

Weekend	Teens 12–17		18+	18–34	25–54	35–64
6 AM-Mid.	81.3%	M	83.6%	81.1%	65.1%	83.9%
		W	86.9	87.4	62.8	78.0

Radio Reaches Almost All Hispanics

R=Percent Weekly Reach (Mon.-Sun., 6 AM-Mid.)

T=Average Daily Time Spent Listening

Men	18–34	25–54	35–64
R			
T	3:41	3:42	3:41

Women	18–34	25–54	35–64
R			
T	3:55	3:50	3:58

	Persons 12+	Teens 12–17	Men 18+	Women 18+
R				
T	3:43	2:54	3:42	3:58

Hispanics Listen Throughout The Week

M=% Men Reached W=% Women Reached

Mon.-Fri.	Teens 12–17		18+	18–34	25–54	35–64
6 AM-10 AM	77.2%	M				
		W	87.0	87.6	87.0	87.4
10 AM-3 PM	61.4	M				
		W	79.0	80.6	77.3	77.1
3 PM-7 PM	80.8	M				
		W	77.7	85.3	78.3	74.9
7 PM-Mid.	78.0	M				
		W	56.2	64.7	67.6	50.4

Weekend	Teens 12–17		18+	18–34	25–54	35–64
6 AM-Mid.	87.1%	M				
		W	84.3	87.2	83.0	82.3

Radio Reaches Upscale Audiences

R = Percent Weekly Reach (Mon.-Sun., 24 Hrs.)
T = Averge Daily Time Spent Listening

	Household Income	Men 18+	Women 18+
	$50,000+	T 3:01	2:55
	$40,000-$49,999	T 3:16	3:06
	$30,000-$39,999	T 3:06	2:59

	Educational Level	Men 18+	Women 18+
	Att./Grad. College	T 3:04	2:58
	High School Grad.	T 3:17	3:05

	Employment	Women 18+
	All Working Women	T 3:19
	Full-Time	T 3:25
	Part-Time	T 2:57

Radio—The Reach & Frequency Medium

Radio delivers big reach and high frequency in all size markets.

Market Rank*		One Week	Four Weeks
1-10	Percent Reach	27.2%	55.6%
	Frequency	2.5	4.9
	Gross Rating Points	68.4	273.6
11-25	Percent Reach	40.6%	71.5%
	Frequency	3.1	7.1
	Gross Rating Points	127.8	511.2
26-50	Percent Reach	33.9%	61.3%
	Frequency	3.2	7.0
	Gross Rating Points	108.0	432.0
51-75	Percent Reach	34.1%	61.0%
	Frequency	3.2	7.2
	Gross Rating Points	109.8	439.2
76-100	Percent Reach	39.6%	70.4%
	Frequency	3.0	6.6
	Gross Rating Points	117.0	468.0
101-150	Percent Reach	30.7%	58.0%
	Frequency	2.8	5.8
	Gross Rating Points	84.6	338.4
151-200	Percent Reach	38.8%	72.5%
	Frequency	2.6	5.5
	Gross Rating Points	99.0	396.0
200+	Percent Reach	47.9%	79.9%
	Frequency	3.4	8.2
	Gross Rating Points	163.8	655.2

* Single selected market within each group; 3 stations, 18 spots per week on each. Fall 1989 Arbitron MSA, Mon.-Sun., 6 AM-Mid. based on Adults 18+.

Describing a Radio station's audience using the average quarter hour rating (the average audience for all the ¼ hours in the time period), neglects the Cume which is the circulation of the station or the number of different people who tune in weekly. This masks unique characteristics of individual stations which are vital in maximizing marketing impact. Radio should never be judged by GRPs alone.

Although the AQH numbers could be relatively small, the reach developed by only 3 stations running 18 spots/week on each is significantly higher. In the markets shown, stations develop strong impact in terms of reach and frequency. More stations and more spots will increase Radio's advertising impact.

Radio is Strong Where Television Is Weak

(Average Daily Time Spent Mon.-Sun. 24 Hrs.)

TV Viewing Quintiles	Adults 18+	
	TV	Radio
Very Light	0:45	3:29
Light	1:56	3:29
Moderate	3:02	3:32
Heavy	4:21	3:14
Very Heavy	7:26	3:05

Each Day All Kinds Of TV Viewers Listen To Radio

(Average Daily Time Spent Mon.-Sun. 24 Hrs.)

TV Viewing Quintiles	Men 18+		Women 18+	
	TV	Radio	TV	Radio
Very Light	0:40	3:44	0:51	3:14
Light	1:45	3:41	2:04	3:20
Moderate	2:48	3:44	3:16	3:21
Heavy	3:57	3:39	4:40	2:53
Very Heavy	6:57	3:08	7:54	3:02

Radio Reaches Big-Ticket Buyers

% of Users (Adults 18+) Who Listen to Radio Each Week

	Purchased New Car Past Year	Leased Car Past Year	Took 1+ Business Trips Past Year
New York	99.3%	97.9%	98.9%
Los Angeles	98.5	99.3	99.6
Chicago	99.0	99.8	99.4
Philadelphia	99.1	100.0	99.8
San Francisco	98.2	98.3	98.5
Boston	98.8	98.5	98.9
Detroit	98.1	99.8	99.3
Dallas-Ft. Worth	99.4	100.0	99.5
Washington, D.C.	98.8	99.0	98.9
Houston-Galveston	98.8	98.4	98.7
Average	98.9	98.9	99.1

Radio Reaches Soda & Beer Drinkers

% of Users (Adults 18+) Who Listen to Radio Each Week

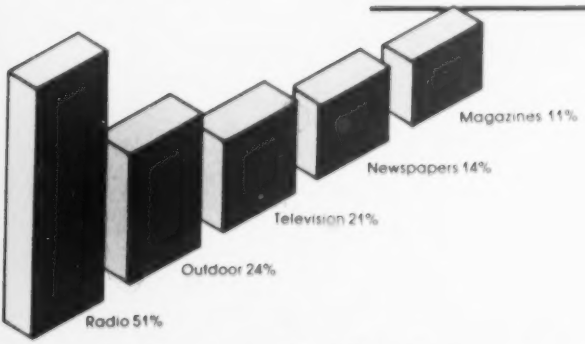
	Drank Soft Drinks Past Month	Drank Beer Past Month
New York	99.0%	98.7%
Los Angeles	98.5	99.0
Chicago	99.3	98.9
Philadelphia	98.7	99.7
San Francisco	99.5	98.9
Boston	98.4	98.4
Detroit	99.3	99.0
Dallas-Ft. Worth	99.7	99.8
Washington, D.C.	98.5	99.1
Houston-Galveston	99.1	99.6
Average	99.0	99.0

Radio: The Time-Of-Purchase Medium

Percent Reached By Media Within
One Hour Of Day's Largest Purchase

	Men	Women
Radio	56%	47%
Outdoor	22	26
Television	23	20
Newspapers	14	14
Magazines	10	11

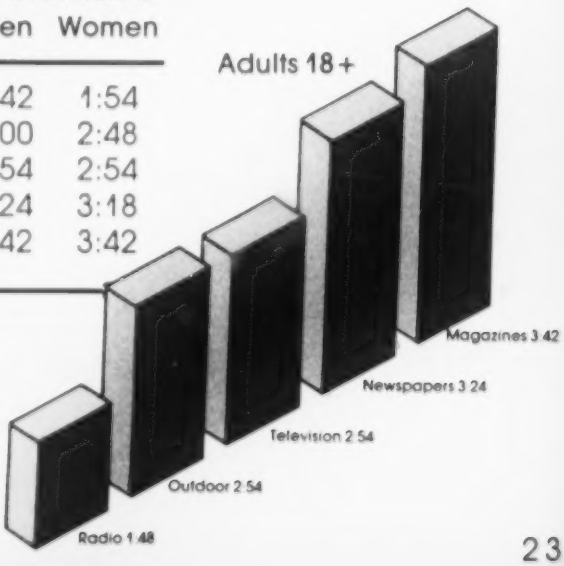
Adults 18+



Time Between Media Exposure And Major Purchase

	Men	Women
Radio	1:42	1:54
Outdoor	3:00	2:48
Television	2:54	2:54
Newspapers	3:24	3:18
Magazines	3:42	3:42

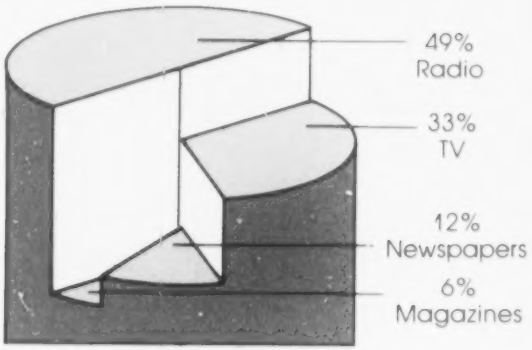
Adults 18+



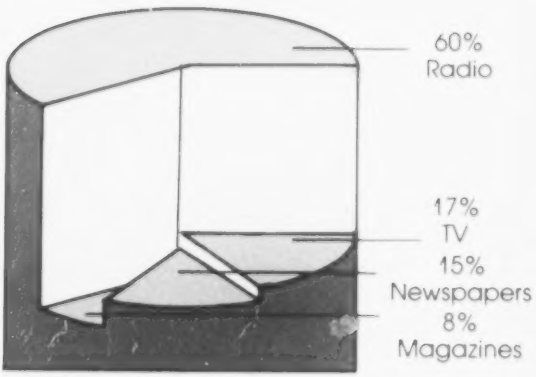
Consumers Spend More Time With Radio During Key Shopping Hours

Share-Of-Time Spent Daily 6 AM-6 PM
With Each Medium

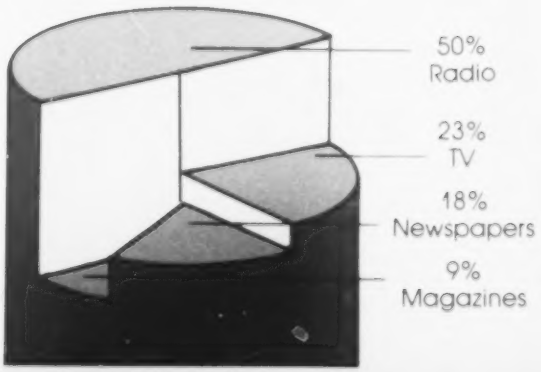
Adults 18+



HH Income
$50,000+



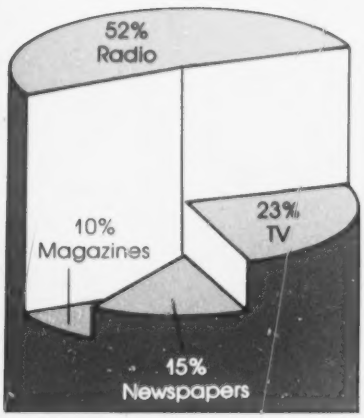
College
Graduates



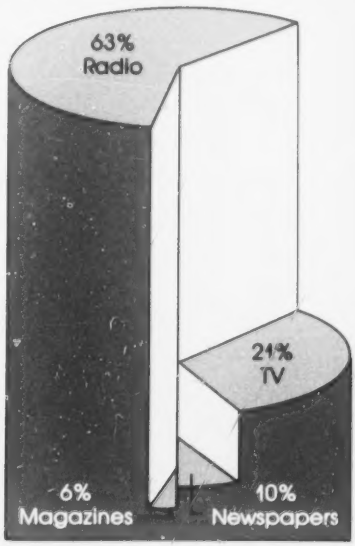
Prof./Mgrl. Men, Working Women Spend More Time With Radio . . .

(6 AM-6 PM)

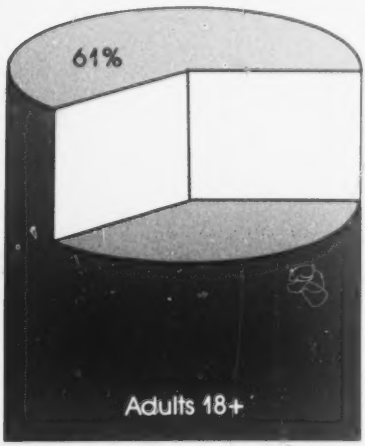
Prof./Mgrl. Men

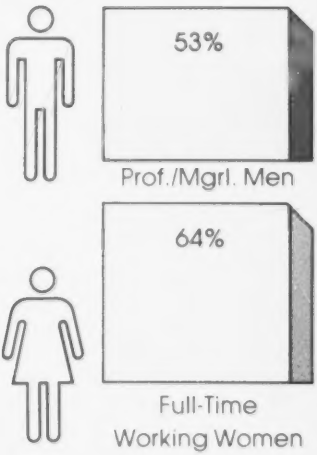


Full-Time Working Women



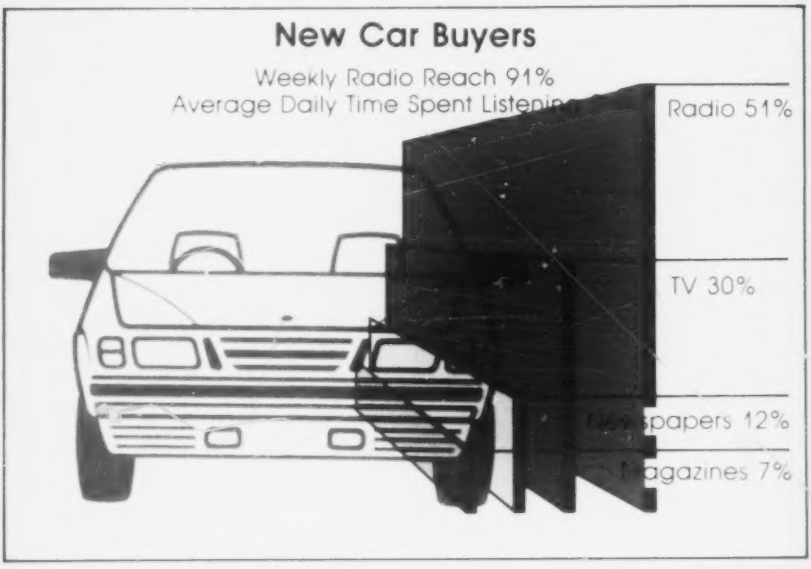
. . . And Have A Radio At Work

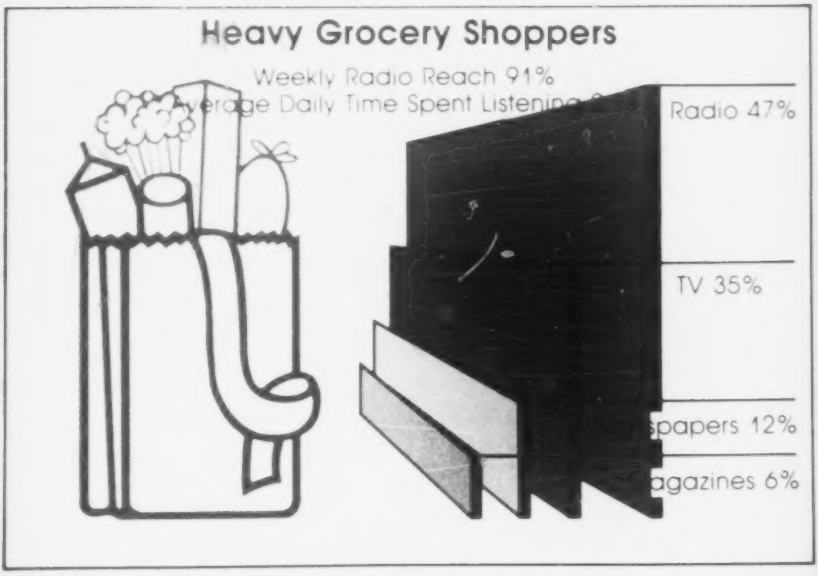




Share-Of-Time: Radio Leads Other Media Among Key Product Users

During Prime Shopping Hours (6 AM-6 PM)





Upscale Listeners Buy New Cars

Domestic Car Buyers:	
With HH income $30,000+	76.0%
With HH income $50,000+	35.4
Radio's Reach Among Domestic Car Buyers:	87.8
Imported Car Buyers:	
With HH income $30,000+	75.3
With HH income $50,000+	45.3
Radio's Reach Among Imported Car Buyers:	92.9

Radio Reaches 85% of Grocery Shoppers

Radio's Reach Among Adults 18+ Who. . .	
Shop for Groceries:	
3+ times per week	85.4%
In the morning	82.9
In the afternoon	85.7
In the evening	89.2
On the weekend	87.7
Travel to Grocery Store:	
Less than 5 miles	86.0
5-10 miles	84.6
10+ miles	88.3

Radio Is The Morning's Major Source of News

Morning (6AM-10AM)	Radio	TV	News-papers	Other/ None
Persons 12+	42%	31%	18%	9%
Adults 18+	41	31	19	9
$50,000+ Income	45	21	27	7
Prof./Mgr. Males	48	16	27	9
F/T Working Women	49	28	15	8
College Grads.	38	24	30	8
Adults 25-54	43	29	20	8
Adults 18-34	45	28	20	7
Teens 12-17	54	29	9	8

Radio Is The First Source For Emergency News

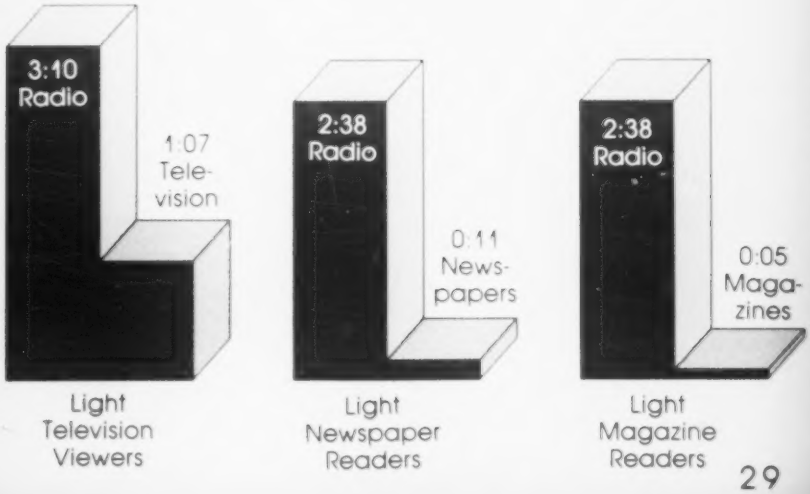
	Radio	TV	Other/ None
Persons 12+	50%	48%	2%
Adults 18+	50	48	2
$50,000+ Income	60	37	3
Prof./Mgr. Males	57	40	3
F/T Working Women	51	47	2
College Grads.	56	42	2
Adults 25-54	54	44	2
Adults 18-34	50	49	1
Teens 12-17	50	49	1

Radio Reaches Light Users Of Other Media

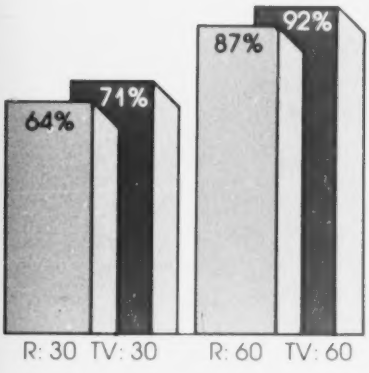
Light Users Of:	Percent of Population	Percent of Total Viewing/ Reading	Time Spent With Medium	Time Spent With Radio
Adults 18+				
TV	38%	12%	1:07	3:10
Newspapers	50	13	0:11	2:38
Magazines	69	15	0:05	2:38
Men 18+				
TV	42%	14%	1:07	3:14
Newspapers	47	10	0:11	2:59
Magazines	69	15	0:06	2:51
Women 18+				
TV	35%	10%	1:06	3:05
Newspapers	53	17	0:11	2:22
Magazines	70	14	0:05	2:25

Average Daily Time Spent With Media

Adults 18+

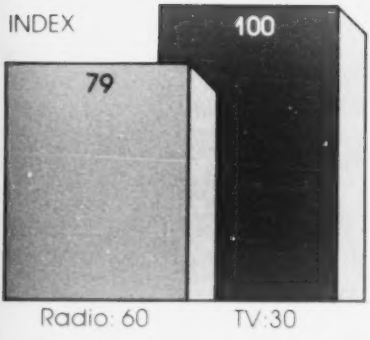


Radio Is Memorable



In Aided Recall Test Radio 60 Second Spots Score Better Than TV 30s

The Pretesting Company measures commercial recall after respondents have been exposed to commercials two times during a "real life" setting. Using a disguised exposure testing approach the respondent is not aware of the purpose of the test. The scores show total aided recall of the two exposures during a 15-minute program (36 pairs of Radio and TV commercials). Comparisons of comparable length spots showed radio recall over 90% of that of TV.



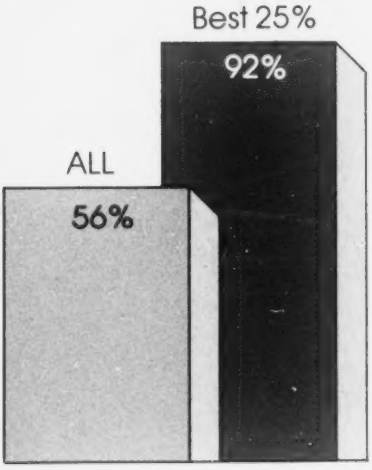
In Recall Tests Radio Commercials Score 79% Against TV's Norm

Radio Recall Research measures 24-hour proven recall. Respondent is exposed to prepared Radio program, including commercials at interviewing center in shopping mall. Index represents widely accepted 24-hour recall norms for TV 30's of 24% over 1,500 separate radio tests.

Radio Recall Is Cost Effective

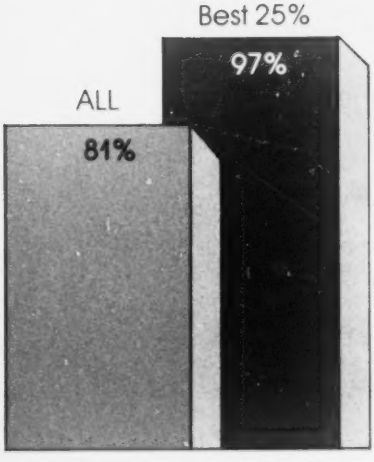
(Total Recall)

Radio



The Pretesting Company looked into a comparison of the best radio and the best TV commercials, based on recall. They examined the top 25% of each group and found the best radio spots were recalled about the same as the best TV spots. . . .and the best Radio production costs much less than the best TV production.

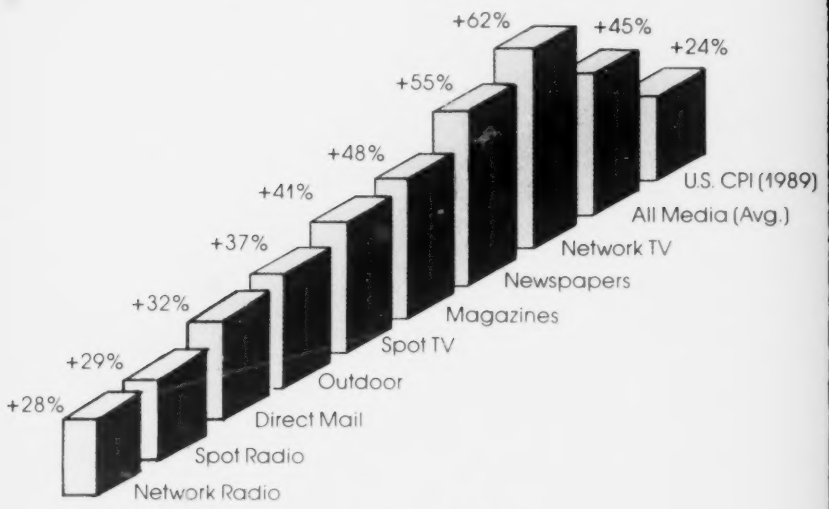
TV



The Pretesting Company analysis also examined people's attitudes toward products advertised. Again, the best radio spots compared very favorably with the best TV spots.

Radio Is Cost-Efficient

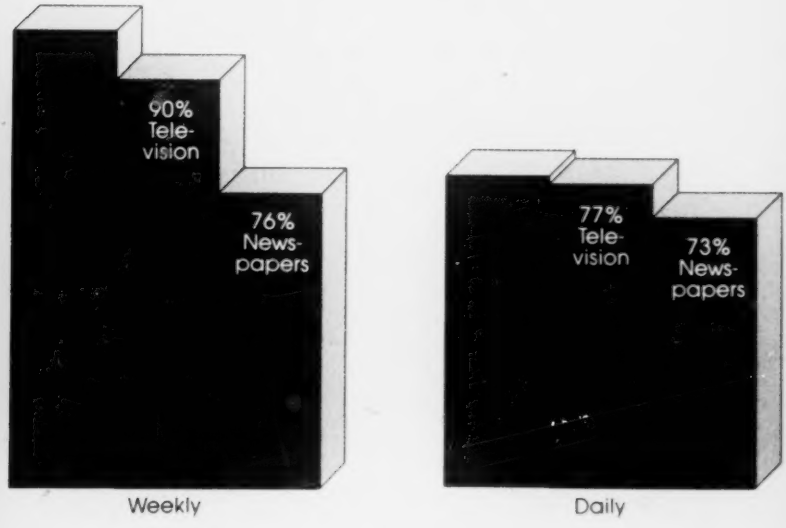
Cost-Per-Thousand Increase 1982-84* To 1990



*1982-84 is base period for Consumer Price Index

Radio Outreaches TV And Newspapers

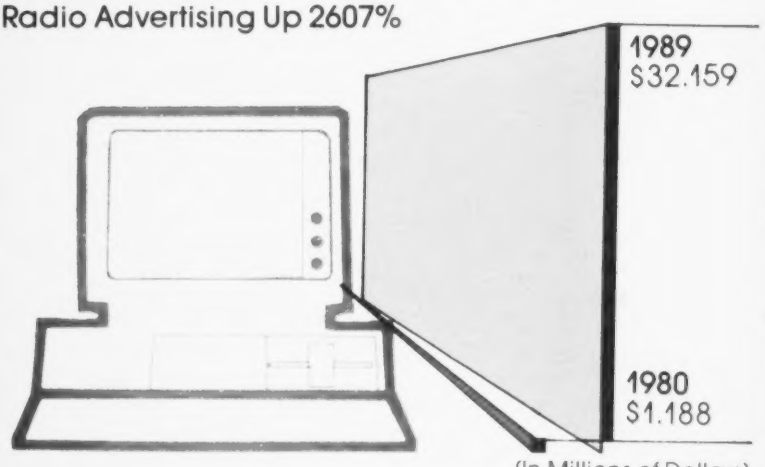
Adults 18+



Radio Keeps Delivering . . .

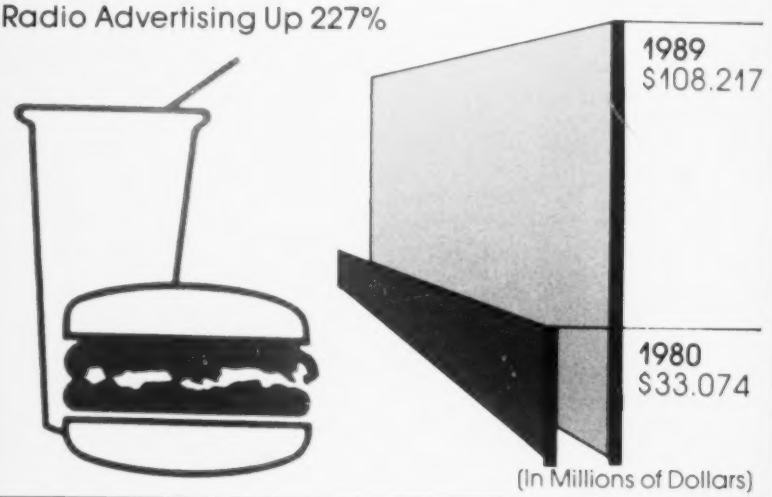
Computers & Office Equipment

Radio Advertising Up 2607%



Fast Food

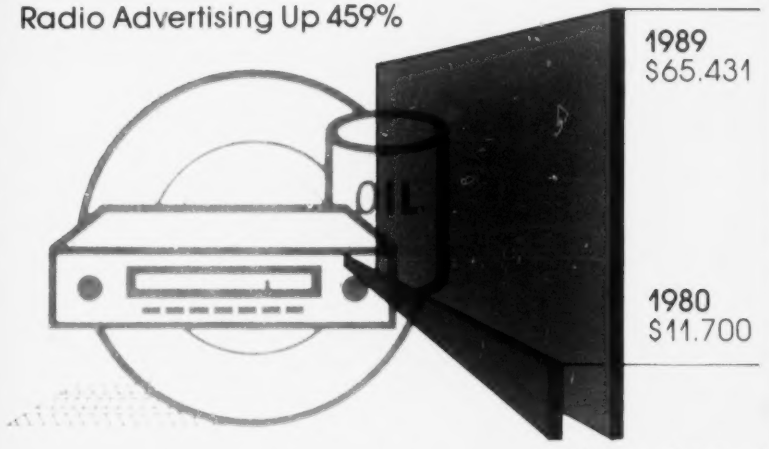
Radio Advertising Up 227%



Radio Keeps Delivering . . .

Auto Aftermarket

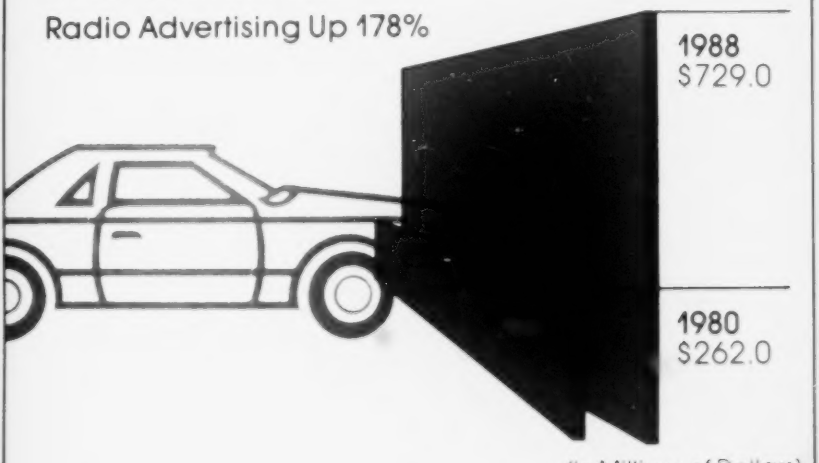
Radio Advertising Up 459%



(In Millions of Dollars)

Automobile Dealers

Radio Advertising Up 178%

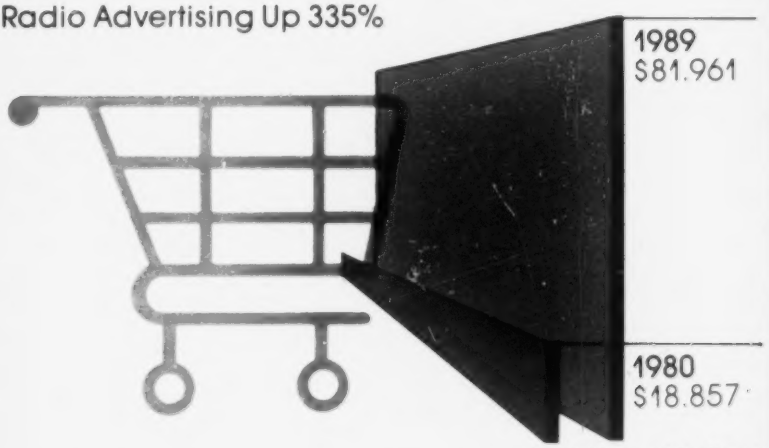


(In Millions of Dollars)

Radio Keeps Delivering . . .

Grocery Stores & Supermarkets

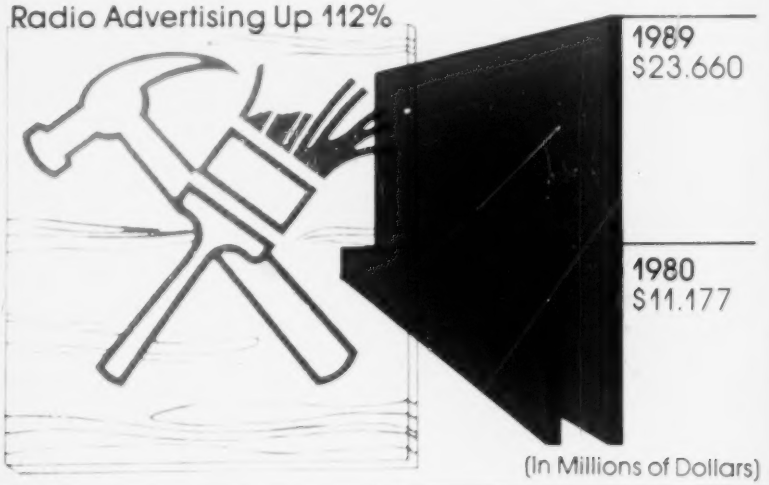
Radio Advertising Up 335%



(In Millions of Dollars)

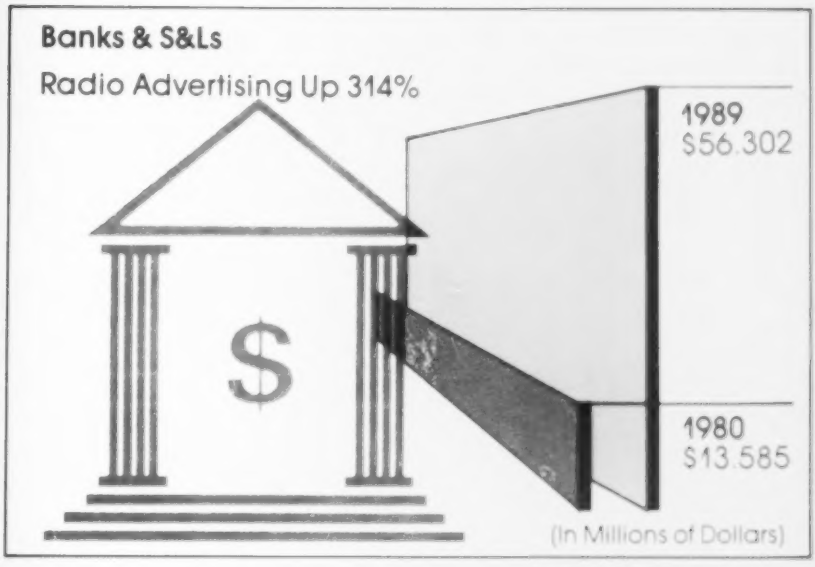
Building/Hardware/Paint

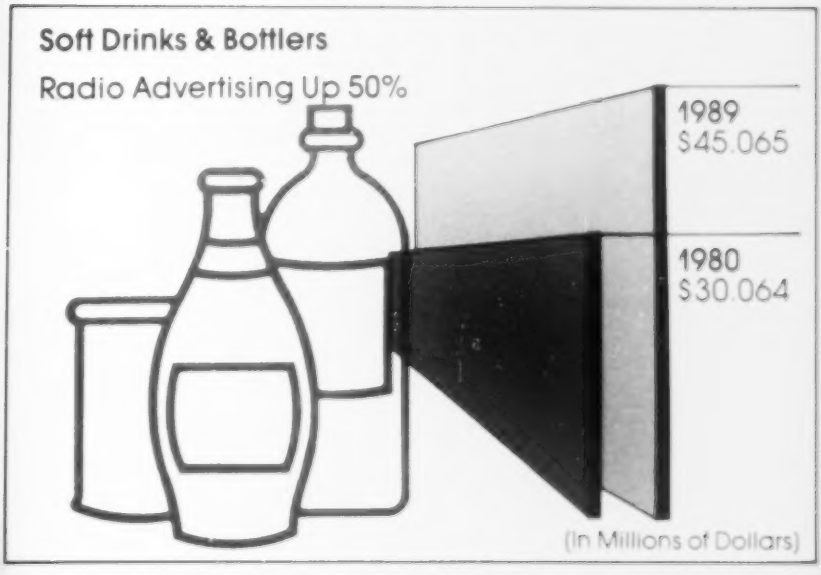
Radio Advertising Up 112%



(In Millions of Dollars)

Radio Keeps Delivering . . .

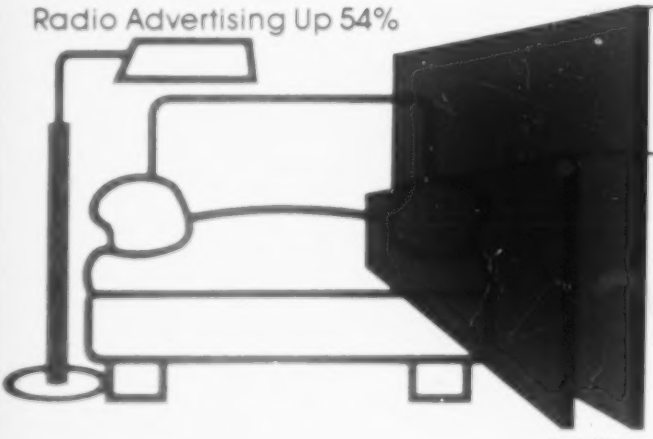




Radio Keeps Delivering . . .

Furniture Stores

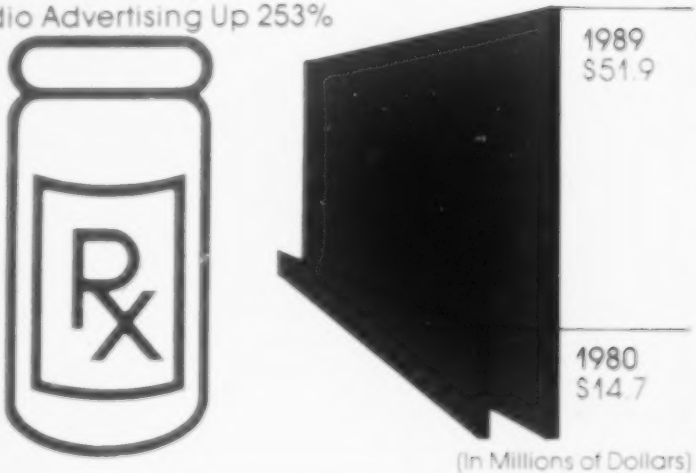
Radio Advertising Up 54%



(In Millions of Dollars)

Drug Products

Radio Advertising Up 253%



(In Millions of Dollars)

Radio Programming Is Diverse . . . There's Something for Everyone

There are 4,975 commercial AM stations and 4,269 commercial FM stations licensed by the Federal Communications Commission operating in the United States (as of 12/31/89). 1,422 non-commercial stations can also be found, primarily on the FM dial.

A programming format usually defines the kind of audience attracted to a particular radio station.

Percent of AM, FM stations programming each format.

Format	AM	FM	Total AM/FM
Adult Contemporary	15.6%	28.5%	24.0%
Country	23.6	22.7	22.4
Religion/Gospel	11.9	3.8	8.1
CHR/Top 40	2.7	15.8	8.0
Oldies	8.4	4.5	6.5
Middle of the Road	7.7	2.2	5.2
Talk	6.8	0.2	3.9
AOR	1.0	6.2	3.1
Easy Listening	1.5	5.4	3.1
News	5.4	0.2	3.1
Spanish	3.2	1.0	2.2
Big Band/Nostalgia	3.4	0.7	2.2
Urban Contemporary	1.4	2.2	1.7
Diversified	2.3	0.8	1.6
Classic Rock	0.6	2.5	1.4
Black	1.9	0.7	1.4
Agricultural	1.6	0.8	1.2
Jazz	0.5	0.9	0.6
Classical	0.4	0.8	0.6

More Than 9,200 Commercial Radio Stations Are On The Air Today

Year-End	AM Stations On Air	FM Stations On Air	Total Stations On Air
1989	4,975	4,269	9,244
1988	4,932	4,155	9,087
1987	4,902	4,041	8,943
1985	4,718	3,875	8,593
1980	4,589	3,282	7,871
1970	4,323	2,196	6,519
1960	3,539	815	4,354

Commercial Loads & Newscast Lengths

AM Stations	1987	1985	Change
Avg. Commercial Mins./Hr.	10:00	10:06	−0:06
Avg. No. Spots/Hr.	12.7	12.7	N/C
Avg. Newscast Length	7:42	5:30	+2:12

FM Stations	1987	1985	Change
Avg. Commercial Mins./Hr.	9:18	9:17	+0:01
Avg. No. Spots/Hr.	11.7	11.4	+0.3
Avg. Newscast Length	3:30	3:42	−0:12

Radio's Top National Advertisers—1989

	(In Thousands)		
	Total	Spot	Network
1. Sears Roebuck	$107,011	$36,053	$70,988
2. General Motors	74,780	39,471	35,309
3. Chrysler	53,580	40,254	13,326
4. Anheuser-Busch	49,780	42,073	7,707
5. Philip Morris (Kraft/GF, Miller)	47,281	38,503	8,778
6. PepsiCo	39,205	33,382	5,823
7. Procter & Gamble	38,363	14,146	24,217
8. Southland (7-11)	33,233	33,233	—
9. AT&T	25,994	6,236	19,758
10. News America (Fox TV)	25,924	23,730	2,194
11. Ford Motor	24,570	13,390	11,180
12. K mart	24,398	10,810	13,588
13. U.S. Government	23,489	8,635	14,854
14. Mobil (incl Montgomery Ward)	23,305	22,878	427
15. Campbell Soup	19,924	5,957	13,967
16. J. C. Penney	19,485	7,621	11,864
17. Delta Air Lines	18,283	18,283	—
18. City Investing	17,425	—	17,425
19. Toyota Motors	17,326	15,200	2,196
20. American Honda	17,205	17,161	44
21. Cotter & Co. (True Value)	16,924	922	16,002
22. Volkswagen	15,551	7,251	8,300
23. Warner-Lambert	15,381	1,042	14,339
24. Melville (Marshall's)	15,255	15,255	—
25. Coca-Cola	14,481	13,874	607

Radio's Top National Advertisers—1989 (cont'd)

	(In Thousands)		
	Total	Spot	Network
26. American Airlines	$14,316	$13,807	$ 509
27. Citicorp	13,129	13,129	—
28. American Express	12,802	8,666	4,136
29. Burger King	12,609	8,814	3,795
30. Adolph Coors	12,288	12,288	—
31. Hershey Foods	11,747	2,500	9,187
32. Black & Decker	11,589	1,649	9,940
33. Bayer AG (Miles Labs)	11,563	—	11,563
34. Schering-Plough	11,485	1,794	9,691
35. Ames/Zayre	11,416	11,416	—
36. Bellsouth	11,268	11,268	—
37. Hyundai Motors	11,246	11,246	—
38. U. S. West	10,842	10,842	—
39. Chevron Oil	10,498	10,498	—
40. Bell Atlantic	10,433	10,433	—
41. Nestle	10,262	2,150	8,112
42. State Farm Insurance	10,145	2,791	7,354
43. General Electric	9,973	7,154	2,819
44. GTE	9,481	9,481	—
45. Zale	9,120	7,371	1,749
46. Pabst Brewing	9,107	9,107	—
47. IC Industries (Midas, Pet Milk, Progresso Foods)	9,101	9,101	—
48. Pennzoil	9,001	9,001	—
49. Dow Jones	8,745	1,829	6,916
50. Lucky Stores	8,613	8,613	—

Radio's National Advertisers Include All Major Businesses

1989 Ranking	Share of Expenditures—1989		
	Spot	Network	Spot And Network Combined
1. Food Products	18.8%	10.7%	17.0%
2. Automotive	13.8	12.2	13.4
3. Consumer Services	10.6	13.6	11.3
4. Travel & Shipping	8.7	6.0	8.1
5. Beer, Ale, Wine	7.6	1.3	6.2
6. Retail Stores (Nat'l)	3.8	13.1	5.8
7. Drugs & Health Care	4.5	8.0	5.3
8. Publishing & Media	3.7	5.9	4.2
9. Gasoline & Oil	3.4	0.6	2.8
10. Apparel	3.4	0.5	2.7
11. Home Furn./Appliances	1.8	2.7	2.0
12. Agricultural & Garden	2.1	1.4	1.9
13. Building/Hardware/Paint	1.3	4.0	1.9
14. Soft Drinks & Water	2.4	0.2	1.9
15. Cosmetics & Toiletries	1.4	3.4	1.9
16. Consumer Electronics	1.2	4.0	1.8
17. Government	1.7	2.1	1.8
18. Computers & Office Products	1.7	1.9	1.8
19. Entertainment & Amusement	1.6	1.3	1.6
20. Confections	0.5	4.3	1.3
21. Jewelry	1.3	0.4	1.1
22. Sporting Goods & Toys	0.9	0.2	0.7
23. Optical & Photo	0.9	—	0.7
24. Soaps & Cleansers	0.8	0.6	0.6
25. All Others	2.1	2.2	2.1
	100.0%	100.0%	100.0%

Local Radio Advertisers Include A Wide Range of Businesses

Share of Expenditures

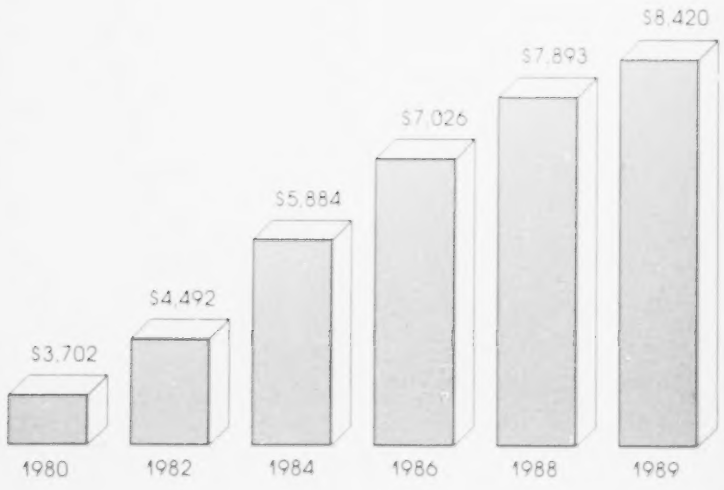
		Market Population:			
Rank	Total	1M+	250K-1M	50K-250K	Under 50K
1. Auto Dealers	10.7%	11.1%	11.2%	10.9%	10.2%
2. Dept. Stores	8.4	9.4	8.6	7.9	8.1
3. Banks	8.0	6.5	6.6	8.3	9.1
4. Clothing Stores	7.7	7.2	7.4	7.6	8.1
5. Restaurants	7.0	6.4	7.7	7.2	6.8
6. Supermarkets	6.7	6.4	6.0	5.3	8.1
7. Furniture Stores	6.4	4.7	6.6	6.2	7.3
8. Bottlers	5.9	6.0	6.5	6.9	4.9
9. Appliance Stores	4.9	3.5	5.2	5.0	5.2
10. Savings & Loans	4.2	5.0	3.6	4.4	3.9
11. Shopping Centers	3.3	4.2	3.6	3.8	2.4
12. Jewelers	3.3	3.2	3.1	3.6	3.3
13. Theaters	3.3	6.7	4.1	3.1	1.4
14. Lumber Dealers	2.8	1.0	1.9	3.0	4.0
15. TBA Stores	2.8	2.9	3.3	2.6	2.6
16. Drug Stores	2.5	2.2	1.6	2.3	3.4
17. Shoe Stores	2.0	1.2	1.8	2.1	2.3
18. Entertainment	1.7	2.6	2.5	1.8	0.7
19. Agricultural	1.3	0.1	0.7	1.6	1.9
20. Stereo/Record Stores	1.2	2.8	2.0	1.0	0.2
21. Other Financial	1.2	1.5	1.0	1.1	1.1
22. Religion	0.6	0.2	1.3	0.7	0.3
23. Real Estate	0.5	0.8	0.2	0.6	0.5
24. All Others	3.6	4.4	3.5	3.0	4.2
	100.0%	100.0%	100.0%	100.0%	100.0%

Radio's Revenues Are Growing

Millions of Dollars

Year	Spot	Local	Network	Total
1989	$1,530	$6,463	$427	$8,420
1988	1,402	6,109	382	7,893
1987	1,315	5,605	371	7,292
1986	1,333	5,313	380	7,026
1985	1,319	4,915	329	6,563

Radio Revenues Have Grown Dramatically Through The 80's



Glossary: Key Terms And Formulas

A wealth of terminology has come to describe the many dimensions of radio audience research. As new buying and planning techniques are developed, new terms are added to the vocabulary and even established terms take on new meanings.

AUDIENCE RESEARCH TERMS

Average Quarter-Hour Audience (AQH Persons) The average number of persons listening to a particular station for at least five minutes in a quarter-hour within a specific daypart.

Average Quarter-Hour Rating (AQH Rating) The AQH persons expressed as a percentage of the population being measured.

AQH PERSONS ÷ POPULATION × 100 = AQH RATING

Average Quarter-Hour Share (AQH Share) The AQH persons expressed as a percentage of the total Radio listening by the population being measured.

AQH PERSONS TO A STATION ÷ AQH PERSONS TO ALL STATIONS × 100 = AQH SHARE

Average Time Spent Listening (TSL) The amount of time the average person listens to Radio in the course of an average day or week.

QUARTER-HOURS IN TIME PERIOD × AQH PERSONS ÷ CUME PERSONS = TSL

Cume Persons The total number of different people who listen to a station for at least five minutes in a daypart. Also called Unduplicated Audience.

Cume Rating The cume persons expressed as a percentage of the population being measured.

CUME PERSONS ÷ POPULATION × 100 = CUME RATING

Persons Using Radio (PUR) The total of all listening in a market including listening to commercial, non-commercial and unidentified stations.

SCHEDULE MEASUREMENT TERMS

Reach The number of different people who are exposed to a commercial schedule.

Reach can also be expressed as a Rating (percentage of the population being measured).

PERSONS REACHED ÷ POPULATION = REACH RATING

Frequency The average number of times a person is exposed to a Radio commercial.

Gross Impressions (GIs) The total number of exposures (not total audience) to a commercial schedule.

AQH PERSONS × NUMBER OF SPOTS = GROSS IMPRESSIONS

Gross Rating Points (GRPs) The sum of all rating points delivered by a commercial schedule, or the gross impressions expressed as a percentage of the population being measured.

AQH RATING × NUMBER OF SPOTS = GRPs

OR

GROSS IMPRESSIONS ÷ POPULATION × 100 = GRPs

Cost Per Point (CPP) A measure of Radio's cost-effectiveness, the cost of delivering one gross rating point.

COST OF SCHEDULE ÷ GROSS RATING POINTS = CPP

Cost Per Thousand (CPM) The cost of delivering 1,000 gross impressions, usually used to compare the cost efficiencies of different radio stations.

COST OF SCHEDULE ÷ GROSS IMPRESSIONS (000) = CPM

REACH/FREQUENCY EVALUATIONS

Reach/Frequency Formulas There are three factors in any Reach/Frequency formula: 1) Reach, 2) Frequency and 3) GRPs. Their relationship is expressed in these formulas, with any two factors predicting the third:

REACH × FREQUENCY = GRPs

GRPs ÷ FREQUENCY = REACH

GRPs ÷ REACH = FREQUENCY

Example: If 100 GRPs are purchased to reach an audience with an average frequency of 4, the reach will be 25. Reach and frequency are Radio's essential planning parameters.

Effective Frequency The minimum level of frequency—number of exposures—determined to be effective in achieving the goals of an advertising campaign (eg., awareness, recall, sales, etc.). This level will vary with individual products or services and the marketing objectives of the campaign.

Frequency Distribution A tabulation separating those reached by a schedule, according to their minimum levels of exposure: 2 or more times, 3 or more times, 4 or more times, etc.

Effective Reach The number of people reached by a schedule at the pre-determined level of Effective Frequency.

Source Appendix

2 Radios in Use: 1988-89 Data based on special Arbitron National Study 11/87, conducted for RAB. Prior years are RAB estimates based on Electronic Industries Association (EIA) set sales. Households With Radio: 1987 Arbitron Study. Prior years are RAB projections based on U.S. Census Bureau HH count (year-end). Radios Sold Annually: Dealerscope Merchandising, 1989; EIA, previous years.

3 5.6 radios per HH, 99% of all HH's, 343 million sets, 125 million battery sets, 79% Analog, 21% digital: Special Arbitron National Study conducted for RAB. $2.75 billion spent on new radios: Dealerscope Merchandising, 1989. 78% of HH's have: EIA, 1980. 38.8 Million sold: Dealerscope Merchandising, 1988. Rooms with Radio: RADAR, 1980. Number of Radios by location, H.H. Size: Special Arbitron National Study 11/87, conducted for RAB.

4 RADAR 40, Fall 1989, Volume 1.

5 Radio At Home: RADAR 40, Fall 1989, Volume 1. Walk-alongs: R.H. Bruskin, Media Targeting For The 90's, 1986. Set Sales: Dealerscope Merchandising Magazine, 1987-89.

6 95% have radio: RAB estimate based on Federal Hwy. Administration car count, 1987. 97% of commuters' cars, 86% reached: R.H. Bruskin, Media Targeting For The 90's, 1986. 99% of used cars: Hertz, 1979. 98% of fleet cars: Nat'l Ass'n. of Fleet Administration, 1980. 82% of all Travel: U.S. Dept. of Transportation consumer survey, 1983. 82% of Adults have drivers' licenses: Simmons Market Research Bureau, 1988. 88% are AM/FM, analog and digital, 68% listened in last 10 car trips: Special Aribitron National Study 11/87, conducted for RAB. Workers, Shoppers and Diners: R.H. Bruskin, Media Targeting For The 90's, 1986.

7 RADAR 40, Fall 1989, Volume 1.

8 R.H. Bruskin, Media Targeting For The 90's. Of those who have radio available, 2% did not answer if they owned or company owned radio.

9-13 All Data: RADAR 40, Fall 1989, Volume 1. All TSL's calculated using cume.

14 Seasonal Data: Radio-Average of Top 25 Arbitron markets measured four times a year in 1989. TV—Nielsen, 1989 from TvB time spent viewing. Radio—Adults 18+, Mon.-Sun., 6 AM-Mid. TV—Adults 18+, Mon.-Sun., 24 hrs. Location of Radio Listening—Top 25 Arbitron Metro Areas—Persons 12+.

15 Radio beats TV 5 AM-5 PM—Special top ten market Metro Area analysis: New York, Miami, Tampa, Tucson, Jacksonville, Fresno, Little Rock, Columbus, Cincinnati, Charlotte. TV average person viewing and radio AQH Rating-Arbitron, Fall 1989.

16 Arbitron Nationwide, Spring '89—Provided by CapCities/ABC.

17 Arbitron—Special Black Report, Fall 1989. Baltimore, Chicago, Memphis, New Orleans, Norfolk, Philadelphia, Raleigh, Richmond, St. Louis, Washington, DC.

18 Arbitron—Special Hispanic Report, Fall 1989. El Paso, Houston, Los Angeles, McAllen-Brownsville, Miami, New York, Riverside-San Bernadino, San Antonio, San Diego, San Francisco.

Source Appendix

19 RADAR 40, Fall 1989. Volume 1. All TSL's calculated using cume.

20 Arbitron, Fall '89 selected markets are: 1-10 Philadelphia, 11-25 St. Louis, 26-50 Charlotte, 51-75 Albany-Schenectady-Troy, 76-100 Chattanooga, 101-150 Eugene, 151-200 Gainesville, 200+ Victoria.

21 Special Tabulation for RAB by Simmons Market Research Bureau, 1988.

22 Birch-Scarborough Research, Top 10 Metros, Winter 1990.

23-26 All Data: R.H. Bruskin, Media Targeting For The 90's, 1986.

27 Mediamark Research, Inc., Spring 1989.

28 All Data: R.H. Bruskin, Media Targeting For The 90's, 1986.

29 R.H. Bruskin, Media Targeting For The 90's, 1986.

30 The Pretesting Company 1985. Radio Recall Research 1985. Teleresearch, Inc. 1978.

31 The Pretesting Company, 1987, special tabulation.

32 CPM Indices: McCann-Erickson. Radio Daily and Weekly Reach: RADAR 40, Fall 1989, Volume 1. TV—1988-89 TV Basics report (men and women averages from TvB). Newspapers—R.H. Bruskin, Media Targeting For The 90's, 1986.

33-37 Compiled from RER and trade association sources.

38 Radio Stations operating: FCC 1/90. Format Data: Broadcasting Yearbook Database, 1990.

39 Station Counts: FCC, year-end. Commercial loads, Newscast lengths: National Association of Broadcasters Programming Survey, 1987.

40-41 Radio Expenditure Reports, 1989, LNA/BAR, 1989.

42 RER (spot) and LNA/BAR (network). Averaged and weighted by RAB.

43 RAB Member survey, 1980.

44 1985-1989: RAB estimates based on RER, Radio Network Ass'n., RAB Local Business Barometer. 1980 and before: FCC.

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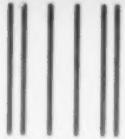

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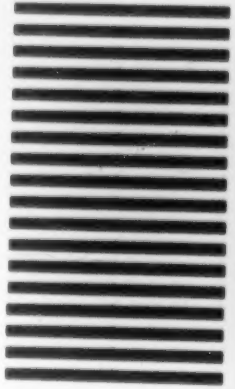

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